Hall

5. B. NO. 25

3 4

5

6 7

8

9

10 11 12

13 14 15

17 18

16

20

21

22

23

24

25

26

27

28

29 30

31

34 35

36

37

38

39

40

41

47

48

49

50

51

54

57

58

59

19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SUBCHAPTER A. GENERAL PROVISIONS.

Section 1. SHORT TITLE. This Act may be cited as the Water Well Drillers Licensing Act.

A BILL

TO BE ENTITLED

duct of persons drilling water wells; placing the duty and expense of plugging

water wells on the owner of the well or

repealing Chapter 458, Acts of the 57th

Legislature, Regular Session, 1961; and

on the person having the well drilled;

AN ACT relating to regulating the business con-

declaring an emergency.

Sec. 2. DEFINITIONS. In this Act, unless the context requires a different definition.

- (1) "person" includes firm, association, partnership, and corporation;
  - (2) "commission" means the Texas Water Commission;
  - (3) "board" means the Water Well Drillers Examining Board. SUBCHAPTER B. ORGANIZATION AND ADMINISTRATION.
- Sec. 3. CREATION AND MEMBERSHIP OF BOARD. There is 32 created a Water Well Drillers Examining Board. The board consists of 33 seven members.
  - Sec. 4. APPOINTMENT AND TERMS OF OFFICE. (a) The executive secretary of the State Water Pollution Control Board and the director of the ground water division of the Texas Water Commission are, ex officio, members of the board.
  - (b) The governor, with the advice and consent of the senate, shall appoint the other five members of the board for staggered terms of six years.
    - Sec. 5. QUALIFICATIONS OF APPOINTED BOARD MEMBERS.
- 42 (a) The governor shall appoint as a member of the board one person who 43 resides in the Gulf Coast area of the state; one who resides in the Trans-44 Pecos area; one who resides in the Central Texas area; one who resides 45 in the Northeast area; and one who resides in the Panhandle-South Plains 46 area.
  - (b) To be qualified for appointment, a person must
    - (1) be licensed under this Act;
    - (2) have been a water well driller for at least 10 years;
    - (3) be a citizen of the state.
- (c) No more than one member of the board may be employed by, or own an interest in, a company or business association which is engaged in 53 any phase of the water well drilling business.
- Sec. 6. BOARD MEETINGS AND OFFICERS. (a) The board shall 55 hold a regular annual meeting. It may hold a special meeting at the call of the chairman or at the request of three board members.
  - (b) A majority of the board is a quorum for conducting business.
  - (c) The board shall elect its officers.
- Sec. 7. ASSISTANTS. The board, with the approval of the com-60 mission, may employ assistants to investigate alleged violations of this 61 Act.

```
Sec. 8. DUTIES OF THE BOARD. The board shall
```

- (1) pass on qualifications of applicants for licenses and issue 3 licenses to those who qualify;
  - (2) prepare and grade examinations;
  - (3) after hearing, suspend or revoke the license of a licensee who
  - (A) intentionally misstated a fact in his application for a license;
- 9 (B) intentionally misstates or misrepresents a fact in a well 10 log report;
  - (C) in conducting his water well drilling business, conducts himself in a way that indicates he is not a competent water well driller;
    - (D) violates Section 33 or Section 34 of this Act.
    - BOARD RULES. (a) The board shall adopt procedural rules
  - (1) describing how a person applies for and takes an examina-
    - (2) implementing the notice and hearing provisions of this Act.
  - (b) The board shall adopt substantive rules defining conduct which, if engaged in by a water well driller, is evidence of incompetence.
- Sec. 10. DUTIES OF COMMISSION. (a) The commission shall furnish the board with administrative services, including providing space for holding examinations; proctoring examinations; printing examinations; 23 printing and mailing licenses; sending notices, before August 1 of each year, that licenses must be renewed; collecting fees and issuing receipts; 25 keeping a current register of licensees; employing secretarial assistants; 26 replying to routine requests for information; printing forms and informational bulletins; typing all matter to be reproduced; maintaining records and completed examinations; and keeping records of receipts and disbursements.
  - (b) The board has access to information kept by the commission under this Act.
  - Sec. 11. COMMISSION RULES. The commission shall adopt procedural rules necessary to carry out the duties imposed on it by Section 10 of this Act.
- Sec. 12. PROCEDURE FOR ADOPTING AND AMENDING SUB-36 STANTIVE RULES. (a) Before the board may adopt a substantive rule under this Act, it must mail a copy of the proposed rule or amendment, or an informative summary of the rule or amendment, to each person licensed under this Act.
  - (b) The rule or amendment takes effect on the fourteenth day after the day the summary is mailed, unless
    - (1) the board specifies that it take effect at a later time; or
    - (2) the board rescinds the order adopting the rule or amendment.
  - (c) The board may rescind, but it may not change, the order adopting a rule or amendment from the time the notice is mailed until the rule or amendment takes effect. After the rule or amendment takes effect, the board may repeal or change it only by adopting an order repealing or amending it.
- (d) If the board rescinds an order for a rule or amendment, it may 50 adopt a new rule or amendment at any time, even though the new rule or amendment is on the same subject as the rule or amendment rescinded.
  - (e) The commission shall supply each person licensed under this Act with a copy of the rules of the board, and of all changes in the rules.
- Sec. 13. DEFINITION. In Sections 13 through 20 of this Act, 55 "contested case" means a proceeding before the board in which the legal rights, duties, or privileges of specific parties are required by law or constitutional right to be determined after a board hearing.

58 59

5

6

7

8

11

12

13

14

15

16 17

18

19

20

21

29

30

31

32

33

34

35

37

39

40

41

42

43

44

45

46

47

48

49

51

52

53

54

60 C227

- Sec. 14. HEARING OFFICER. In a contested case, the board shall use an attorney member of the commission's staff to serve as the hearing 3 officer in the hearing. At the hearing, the hearing officer shall
  - (1) preside over the hearing;
  - (2) rule on the admissibility of evidence;
  - (3) at the direction of the board, prepare the record, decision, and order of the board and the notices for the hearing;
- (4) assist the board in all legal matters connected with the 8 9 hearing.
- Sec. 15. NOTICE, HEARING, RECORDS. (a) In a contested case 11 all parties shall be afforded an opportunity for hearing after reasonable notice. The notice shall state the time, place, and issues involved, but 13 if, because of the nature of the proceeding, the issues cannot be fully 14 stated in advance of the hearing, or if subsequent amendment of the issues 15 is necessary, the issues shall be fully stated as soon as practicable, and opportunity shall be afforded all parties to present evidence and argument with respect to the issues.
- (b) The board shall prepare an official record, including testimony 19 and exhibits, in each contested case, and shall prepare a mechanical 20 recording of the proceedings. It is not necessary to transcribe the recording unless the transcription is requested for purposes of rehearing or court review.
- (c) Informal disposition may also be made of any contested case by 24 stipulation, agreed settlement, consent order, or default.
- Sec. 16. RULES OF EVIDENCE. (a) In contested cases, the board 26 may admit and give probative effect to evidence which possesses probative value commonly accepted by reasonably prudent men in the conduct of their affairs. The board shall give effect to the rules of privilege recognized by law. It may exclude incompetent, irrelevant, immaterial, 30 and unduly repetitious evidence.
- (b) All evidence, including those of the board's records and docu-32 ments it decides to use, shall be offered and made a part of the record in 33 the case, and no other factual information or evidence shall be considered 34 in the determination of the case. Documentary evidence may be received 35 in the form of copies or excerpts, or by incorporation by reference.
  - (c) Every party has the right to cross-examine witnesses who testify, and has the right to submit rebuttal evidence.
- Sec. 17. OFFICIAL NOTICE. The board may take notice of judicially cognizable facts and in addition may take notice of general, 40 technical, and scientific facts within its specialized knowledge. Parties shall be notified either before or during hearing, or by reference in 42 preliminary reports or otherwise, of the material so noticed, and they 43 shall be afforded an opportunity to contest the facts so noticed. The 44 board may use its experience, technical competence, and specialized 45 knowledge in evaluating the evidence presented to it.
- Sec. 18. EXAMINATION OF EVIDENCE BY BOARD. When in a contested case a majority of the members of the board who are to render 48 the final decision have not heard or read the evidence, the decision, if adverse to the party to the proceeding other than the board itself, shall 50 not be made until a proposal for decision, including findings of fact and conclusions of law, has been served upon the parties and an opportunity 52 has been afforded to each party adversely affected to file exceptions and 53 present argument to a majority of the members who are to render the 54 decision, who shall personally consider the whole record or as much of it 55 as may be cited by the parties.
- Sec. 19. DECISIONS AND ORDERS. Every decision and order 57 adverse to a party to the proceeding, rendered by the board in a con-58 tested case, shall be in writing or stated in the record and shall be

59

60

56

6

7

10

17

18

23

25

29

31

36 37

38

39

46

47

I accompanied by findings of fact and conclusions of law for each contested 2 issue. Parties to the proceeding shall be notified of the decision and 3 order in person or by mail. A copy of the decision and order and 4 accompanying findings and conclusions shall be delivered or mailed upon 5 request to each party or to his attorney of record.

Sec. 20. JUDICIAL REVIEW OF CONTESTED CASES. (a) A person aggrieved by a final decision in a contested case, whether the decision is affirmative or negative in form, is entitled to judicial review of the decision.

- (b) Proceedings for review shall be instituted by filing a written statement complaining of the board's decision in the Third Court of Civil Appeals at Austin within 30 days after the service of the final decision of the board. The statement shall specify concisely each finding, conclusion, or action of the board with which the aggrieved party disagrees. Copies of the statement shall be served upon the board and all other parties of record. The court, in its discretion, may permit other interested persons to intervene.
- (c) Filing the statement does not stay enforcement of the board decision; but the board may do so, or the reviewing court may order a stay upon such terms as it deems proper.
- (d) Within 30 days after service of the statement, or within such 22 further time as the court may allow, the board shall transmit to the 23 reviewing court the original or a certified copy of the entire record of the 24 proceeding under review; but, by stipulation of all parties to the review proceeding, the record may be shortened. A party unreasonably refusing to stipulate to limit the record may be taxed by the court for the additional costs caused by his refusal. The court may require or permit subsequent corrections or additions to the record when deemed desirable.
- (e) If, before the date set for hearing, application is made to the 30 court for leave to present additional evidence on the issues in the case, and it is shown to the satisfaction of the court that the additional evidence 32 is material and that there were good reasons for failing to present it in 33 the proceeding before the board, the court may order that the additional evidence be taken before the board upon such conditions as the court deems proper. The board may add to or modify its findings, conclusions, and decision in light of the additional evidence and shall file with the reviewing court, as part of the record, the additional evidence, together 38 with any additions or modifications to its findings, conclusions, or decision.
- (f) The review shall be conducted by the court and shall be confined to the record, except that in cases of alleged irregularities in procedure 42 before the board, not shown in the record, testimony on the alleged irregularities may be taken in court. The court shall, on request, hear oral argument and receive written briefs.
  - (g) The court may affirm the decision of the board or remand the case for further proceedings; or it may reverse or modify the decision if the substantial rights of the petitioners may have been prejudiced because the administrative findings, inferences, conclusions, or decisions are
    - (1) in violation of constitutional provisions;
  - (2) in excess of the statutory authority or jurisdiction of the board;
    - (3) made upon unlawful procedure;
    - (4) affected by other error of law;
  - (5) unsupported by competent, material, and substantial evidence in view of the entire record as submitted; or
    - (6) arbitrary or capricious.
  - Sec. 21. COMPENSATION. Members of the board are entitled to compensation of \$25 a day for each day spent in attending to the business

59 60 C227

6

7

10

11

16

17

18

19

20

21

27

28 29

34

35

37

39

40

41

45

46

47

48

49

50

51

52

53

54

55

56

57

58

1 of the board and for going to and returning from attending to that business; 2 and are entitled to actual expenses incurred in attending to the business of the board.

## SUBCHAPTER C. LICENSING.

- Sec. 22. LICENSE REQUIRED. No person may, for compensation, drill, bore, core, or construct a water well on the land of another unless he is licensed under this Act.
- Sec. 23. EXAMINATION. A person who passes the examination given by the board is entitled to be licensed under this Act.
- Sec. 24. CONTENT OF EXAMINATION. The board shall design the examination so as to disqualify a person whose lack of knowledge of drilling methods and techniques and of the geology and ground water formation in the area in which he expects to drill would create a serious risk of polluting fresh water.
- Sec. 25. ADMINISTRATION OF EXAMINATION. (a) The com-16 mission shall offer examinations prepared by the board at least once a year and more frequently if more than 10 persons petition the commission for an additional examination.
  - (b) Examinations shall be so administered that one who grades an examination does not know whose paper he is grading.
  - (c) The commission shall maintain files of examination papers. A person, at any time within six months of the date he is notified of the results of the examination, is entitled to inspect his examination paper during normal business hours at the commission's office for the purpose of challenging the propriety of its questions, the method of grading, and the accuracy of grading.
  - (d) If a person fails to take an examination after he has paid the application fee, the commission shall refund all but \$10 of the application fee.
  - Sec. 26. RE-EXAMINATION. A person who fails an examination may apply for a subsequent examination, but must pay the application fee each time he applies. He may not petition for an additional examination under Section 25(a) of this Act, but may take one if it is offered.
  - Sec. 27. QUALIFICATIONS FOR EXAMINATION. A person is entitled to take the examination who
  - (1) within the time specified by a commission rule, returns application forms to the commission, showing information specified in rules of the board;
    - (2) pays the application fee.
  - Sec. 28. LICENSE NOT TRANSFERABLE. A license issued under this Act is not transferable.
  - Sec. 29. FEES. The fee to apply for a license is \$50. The annual license renewal fee is \$25. The fee for an out-of-state license is \$50. The fee for a duplicate license is \$1.
  - Sec. 30. DEPOSIT IN GENERAL FUND. The commission shall deposit money collected under this Act in the state treasury in the general fund
  - Sec. 31. ANNUAL RENEWAL. A person who passes the examination is licensed without payment of further fee. To remain licensed, a person must pay the renewal fee before September 1 of each year. The board shall renew a lapsed license when the licensee applies for renewal and pays accrued renewal fees. He is entitled to have the license renewed without taking an examination unless his license has lapsed more than 10 years, in which case he is required to take an examination if the board finds that additional evidence of his continued ability to drill wells is required.
  - Sec. 32. OUT-OF-STATE LICENSE. A person who is a certified, registered, or licensed water well driller in another state is entitled to

59

5

6

7

8

9

10

11

12

15

17

18

19

20

21

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

48

49

50

52

55

56

57

be licensed as a water well driller in Texas without examination if he completes application forms and returns them to the commission, pays the out-of-state license fee, and has passed an examination in the other state which in the opinion of the board covers substantially the same subjects the board's examination covers.

SUBCHAPTER D. MISCELLANEOUS PROVISIONS.

- Sec. 33. REPORTING WATER WELL LOGS. (a) A person licensed under this Act shall keep an accurate water well log, showing the depth, thickness, and character of the different strata penetrated and the location of water strata, for each water well he drills or alters.
- (b) The board may, by rule, require licensees to keep additional information in water well logs.
- (c) The licensee shall send, on forms prescribed by the board, a copy of each water well log he keeps to the commission within 60 days of the day he completes or stops working on a water well.
- Sec. 34. PLUGGING WELLS. It is the duty of the owner of a water well, or the person having a water well drilled, to plug the well in a manner that will prevent injurious water in the well from harming land or fresh water. It is the duty of the person who drills the well to
- (1) advise the well owner, or the person having the well drilled, that the well should be plugged at the expense of the owner or of the person having the well drilled;
- (2) make a full report of the method of plugging the well in his water well log.
- Sec. 35. REGISTERING VEHICLES OF WATER WELL DRILLERS. The assessor and collector of taxes of a county shall refuse to register a motor vehicle, rig, trailer, or other vehicle used in water well drilling operations until the owner of the vehicle presents to the assessor and collector of taxes a valid license issued under this Act, and executes an affidavit stating that he and all his employees have fully complied with the requirements of this Act.
  - Sec. 36. ACT DOES NOT APPLY IN DROUGHT DISASTER AREAS.
- (a) The commissioners court of a county may request the governor to proclaim the county a drought disaster area. If the governor issues the proclamation, the county is a drought disaster area, for the length of time specified in the proclamation.
- (b) A person may drill a water well for compensation in a drought disaster area, even though he is not licensed under this Act.
- Sec. 37. ACT DOES NOT APPLY TO PERSONS DRILLING CERTAIN WELLS. The provisions of this Act do not apply to a person
  - (1) constructing a hand-dug or drive point water well;
  - (2) drilling test or blast holes in quarries or mines; or
- (3) drilling or making a well or excavation for the purpose of exploring for or producing oil, gas, or any other mineral except water.
- Sec. 38. PENALTY. (a) A person who violates the provisions of Section 22 of this Act is guilty of a misdemeanor and upon conviction is punishable by a fine of not less than \$25 nor more than \$200 or by confinement in the county jail for not more than 120 days, or by both.
- (b) Each day a person is in violation of the provisions of Section 22 of this Act is a separate offense.

SUBCHAPTER E. TEMPORARY PROVISIONS.

- Sec. 39. A person actively engaged in the water well drilling business on the effective date of this Act is entitled to a license without examination if he
- (1) returns application forms to the commission showing information specified in rules of the board;
  - (2) pays the application fee.

C227 60

```
2 water well drillers who are otherwise qualified to serve on the board.
        Sec. 41. Initial board members are appointed two for two years;
 4 two for four years, and one for six years. Their terms expire on
 5 September 15 of the years in which their terms expire.
        Sec. 42. Chapter 458, Acts of the 57th Legislature, Regular
 7 Session, 1961 (Article 7621c, Vernon's Texas Civil Statutes), is
8 repealed.
        Sec. 43. The importance of this legislation and the crowded condi-
10 tion of the calendar in both houses create an emergency and an imperative
11 public necessity that the Constitutional Rule requiring bills to be read on
12 three several days in each house be suspended, and the Rule is hereby
13 suspended.
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
```

Sec. 40. The governor may appoint to the initial board unlicensed

C227

S.B. No. 230

A BILL
To Be Entitled Fall

AN ACT relating to regulating the business conduct of persons drilling water wells; placing the duty and expense of plugging water wells on the owner of the well or on the person having the well drilled; repealing Chapter 458, Acts of the 57th Legislature, Regular Session, 1961; and declaring an emergency.

FEB 1 0 1965

\_Read first time

on State Offairs